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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Annual Financial Report

As of and for the Year Ended
June 30, 2007

Under provisions of state law this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

1/30/08

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Annual Financial Report
As of and for the Year Ended June 30, 2007

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WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

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As of and for the Year Ended June 30, 2007

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INDEPENDENT AUDITORS' REPORT

West Carroll Parish Sheriff Oak Grove, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund (General Fund), and the aggregate remaining fund information of the West Carroll Parish Sheriff, as of and for the year ended June 30, 2007, which collectively comprise the Sheriff's basic financial statements as listed in the "Table of Contents." These financial statements are the responsibility of the management of the West Carroll Parish Sheriff. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the of the governmental activities, the major fund (General Fund), and the aggregate remaining fund information of the West Carroll Parish Sheriff, as of June 30, 2007, and the changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**West Carroll Parish Sheriff
Oak Grove, Louisiana**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2007, on our consideration of the West Carroll Parish Sheriff's internal control over financial reporting and on our tests of his compliance with certain provisions of laws, regulations, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The "Management's Discussion and Analysis" presented on pages 4 through 10 and the "Budgetary Comparison Schedule" presented on page 38 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Carroll Parish Sheriff's basic financial statements. The Agency Funds Combining Schedule of Changes in Balances Due Taxing Bodies and Others presented in the financial section of the "Table of Contents" labeled as "Supplemental Information" is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



(A Professional Accounting Corporation)

December 28, 2007

**REQUIRED SUPPLEMENTAL INFORMATION
(PART A)**

WEST CARROLL PARISH SHERIFF
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2007

Management's discussion and analysis of the West Carroll Parish Sheriff's financial performance provides an overall review of the Sheriff's financial activities for the fiscal year ended June 30, 2007. The intent of this discussion and analysis is to look at the Sheriff's financial performance as a whole. The reader should read this discussion in conjunction with the Notes to the Basic Financial Statements and the financial statements, which are all included in this report, to enhance their understanding of the West Carroll Parish Sheriff's financial performance.

Financial Highlights

- Fund balance increased
- Total revenues decreased slightly for the year
- Expenditures in 2006-07 had a marginal increase
- Federal Grants decreased substantially
- Work Release Program was cancelled in December 2006

Using this Annual Financial Report (AFR)

This AFR consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the West Carroll Parish Sheriff as a whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the Sheriff as a whole and present a longer-term view of the Sheriff's finances. Also included in the financial statements are the Fund Financial Statements, which report on governmental activities of the Sheriff. These statements provide more detail than the Government-wide Financial Statements about the services that were financed in the short-term as well as what remains for future spending in the Sheriff's General Fund. The General Fund is the West Carroll Parish Sheriff's only significant fund.

Reporting the Sheriff as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities report information about the Sheriff as a whole and his activities in a way to try to inform the reader as to how the Sheriff did financially during the 2006-07 fiscal year. In short, is the Sheriff better off financially or is he worse off financially than he was this time last year? These statements report all assets and liabilities of the Sheriff on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Sheriff's net assets and the change in those assets. This change in net assets is important because it tells the reader that, for the Sheriff as a whole, the financial position of the Sheriff improved or declined. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors affecting the Sheriff include the parish's property tax base, the continued housing of State prisoners in the parish jail, and the state and federal government's continued funding of grants.

The Statement of Net Assets and the Statement of Activities report the governmental activities of the Sheriff. Most of the Sheriff's programs and services are reported here including salaries and related benefits, operating services, statutory charges, and materials and supplies.

Reporting the Sheriff's Most Significant Fund (General Fund)

Fund Financial Statements

The analysis of the Sheriff's General Fund, which is the Sheriff's only major fund, begins on page 8. Fund Financial Statements provide detailed information about the Sheriff's major fund (General Fund). The Sheriff uses one fund to account for his general operating financial transactions.

Governmental Funds

Most of the Sheriff's activities are reported as a governmental fund (General Fund), which focuses on how money flows into and out of this fund and the balance left at year-end available for spending in future periods. This fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund's statements provide a detailed short-term view of the Sheriff's general government operations and the basic services he provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance protective and investigative programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The Sheriff as Trustee

Reporting the Sheriff's Fiduciary Responsibilities

The Sheriff is the trustee, or fiduciary, for the Sheriff's Fund, the Tax Collector Fund, and the Work Release Program. The Sheriff's Fund, Tax Collector Fund, and Work Release Program account for assets held by the Sheriff as an agent for deposits held pending court action (Sheriff's Fund), for various taxing bodies (Tax Collector), and for the inmates' personal needs (Work Release Program). All of the Sheriff's fiduciary activities are reported in a separate Combining Schedule of Changes in Balances Due to Taxing Bodies and Others (Schedule 1) on page 42. These activities have been excluded from the Sheriff's other financial statements because the Sheriff cannot use these assets to finance his operations. The Sheriff is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The Sheriff as a Whole

The Sheriff's net assets decreased by \$16,759 from \$91,568 at June 30, 2006 to \$74,809 at June 30, 2007. Of the \$74,809 of net assets at June 30, 2007, the unrestricted net assets reflected a balance of \$19,134. The following analysis focuses on the net assets (Table 1) and change in net assets (Table 2) of the Sheriff's governmental activities.

Table 1
Governmental Activities
Net Assets
June 30, 2007 and June 30, 2006

	Year Ended	
	June 30,	
	2007	2006
Assets		
Current and other assets	\$ 53,756	\$ 47,485
Capital assets, net	55,675	81,927
Total assets	<u>109,431</u>	<u>129,412</u>
Liabilities		
Current and other liabilities	22,163	31,909
Long-term liabilities	12,459	5,935
Total liabilities	<u>34,622</u>	<u>37,844</u>
Net assets		
Invested in capital assets, net of debt	55,675	81,927
Unrestricted	19,134	9,641
Total net assets	<u>\$ 74,809</u>	<u>\$ 91,568</u>

The balance of \$19,134 in the unrestricted assets represents the accumulated results of all past years' operations. It means that if the Sheriff had to pay off all of his bills today including all of his noncapital liabilities (compensated absences for example), he would have enough funds to pay them off and still have \$19,134.

The results of this year's operations for the Sheriff as a whole are reported in the Statement of Activities on page 14. Table 2 reports the information from the Statement of Activities in a different format so that total revenue for the year can be more easily identifiable.

Table 2
Governmental Activities
Changes in Net Assets
Fiscal Years Ended June 30, 2007 and 2006

	Year Ended June 30,	
	2007	2006
Revenues:		
Program revenues:		
State and other grants and entitlements	\$ 50,100	\$ 47,233
Federal grants	11,503	61,255
General revenues:		
Ad valorem taxes	459,513	463,623
State grant - commission on state revenue sharing	44,342	44,304
Fee, charges, and commissions for services	294,394	280,823
Use of money and property - interest earnings	2,685	2,136
Other general revenues	3,900	6,855
Total revenues	866,437	906,229
 Functions/Program Expenses:		
Public safety:		
Personal services and related benefits	666,459	648,162
Operating services	77,293	77,599
Statutory charges	58,835	52,270
Materials and supplies	42,955	49,560
Travel and other charges	956	1,279
Depreciation expense	36,698	40,029
Total expense	883,196	868,899
Increase (decrease) in net assets	\$ (16,759)	\$ 37,330

Governmental Activities

As reported in the Statement of Activities on page 14, the cost of governmental activities this year was \$821,593. The taxpayers in the parish provided \$459,513 in ad valorem taxes to help meet the total cost of governmental activities. Ad valorem tax revenue was down in 2006-07 by \$4,110 or .9 percent due mainly to a decrease in the assessed value of a gas company's inventory and to some extent to the decrease in the value of personal property in the parish. The Sheriff collected \$294,394 from fees and commissions during the year to help meet the total cost of governmental activities. Revenue from fees and commissions increased from \$280,823 in 2005-06 to \$294,394 in 2006-07. The majority of the increase was due to increases in amounts from feeding and keeping prisoners.

Table 3 presents the total cost of each of the Sheriff's four largest functions – personal services and related benefits, operating services, statutory charges and materials and supplies, as well as each function's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the Sheriff's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3
Year Ended June 30, 2007
Governmental Activities
(With Comparative Total for June 30, 2006)

	Total Cost of Services		Net Cost of Services	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Personal services and related benefits	\$ 666,459	\$ 648,162	\$ 609,551	\$ 586,314
Operating services	77,293	77,599	72,598	33,945
Statutory charges	58,835	52,270	58,835	52,270
Material and supplies	42,955	49,560	42,955	46,574
Subtotal	<u>845,542</u>	<u>827,591</u>	<u>783,939</u>	<u>719,103</u>
All others	37,654	41,308	37,654	41,308
Total	<u>\$ 883,196</u>	<u>\$ 868,899</u>	<u>\$ 821,593</u>	<u>\$ 760,411</u>

The Sheriff's Funds

The Sheriff uses the General Fund to help him control and manage money to provide police protection to the citizens of West Carroll Parish. By accounting for money of the General Fund in a separate fund helps the reader to determine whether the Sheriff is being accountable for the resources taxpayers and others provide to him and it may also give the reader more insight into the Sheriff's overall financial health.

The Sheriff's General Fund, which is the only Governmental Fund, had a fund balance of \$31,593 at June 30, 2007. This is an increase of \$16,017 over the previous year's fund balance. The primary reason for this increase was the close monitoring of ongoing revenues and expenses and holding expenses to available revenue. Overall, revenues and expenses remained relatively flat from the prior year.

General Fund Budgetary Highlights

The Sheriff, in accordance with state law, must adopt a budget on the General Fund no later than fifteen days prior to the beginning of the fiscal year. In accordance with state law, the Sheriff may have variances of 5 percent of total revenues or expenditures in a fund before he is legally required to amend the budget. The Sheriff adopted his 2006-07 budget on March 13, 2006, and revised the budget on February 15, 2007. The original estimated revenues decreased by .3% or \$3,400 from \$883,000 to \$879,600 in the final amended budget. The change in budgeted revenues was attributable to the Sheriff receiving more in fees and charges for service revenue

and less for Federal grants than originally anticipated. The estimated expenditures increased from the original budget to the final budget by \$2,300.

Capital Assets and Debt Administration

Capital Assets

Capital assets of the Sheriff used in performance of general operations of the Sheriff's office are recorded in the Fund Financial Statements as expenditures when purchased. The amount represents the original cost of the assets. Depreciation of capital assets is not recognized in the Fund Financial Statements as explained in the Notes to the Basic Financial Statements. In the Government-wide Financial Statements, the capital assets are recorded as assets at their original cost at the time of purchase or fair market value, if seized by the courts. Capital assets purchased by grantors and donated to the Sheriff are recorded as capital assets at their actual cost. Depreciation of capital assets has been recognized in the Government-wide Financial Statements.

At June 30, 2007, as reported on the Statement of Net Assets, the Sheriff had \$55,675 invested in a building and furniture and equipment, net of depreciation. Net capital assets decreased by \$25,622 or 32.0 percent during the current fiscal year. The net decrease in capital assets was primarily attributable to depreciation. The Sheriff removed \$14,192 of capital assets from the inventory during the year. The largest of the capital assets removed was a 1996 automobile valued at \$13,674. The equipment removed from capital assets was fully depreciated. For more detail of capital assets, see Note 6 of the Notes to the Basic Financial Statements. Table 4 presents capital assets, net of depreciation, at June 30, 2007.

Table 4
Capital Assets at Year-end
Net of Depreciation
Governmental Activities
June 30, 2007 and June 30, 2006

	Year Ended	
	June 30,	
	2007	2006
Furniture and equipment	<u>\$ 55,675</u>	<u>\$ 81,297</u>

For the Future

The West Carroll Parish Sheriff continues to operate with a small fund balance from year to year. However, this year the Sheriff improved his financial position by increasing fund balance by \$16,017. The Sheriff is placing on the November 2007 ballot a 11.27 mill ad valorem tax proposition. The revenue from the tax will be used to help fund the operations of the Sheriff's office.

The Sheriff has plans to increase his revenue in the future by expanding his current jail facilities. Expanding the jail facilities would allow the jail to hold more Louisiana Department of Corrections inmates, which in turn would bring additional revenue to the Sheriff's office.

The Sheriff is optimistic that he will secure additional funding for operating his office and reduce his expenditures so that he can continue the level of services he is currently providing to the citizens of West Carroll Parish.

Contacting the Sheriff's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Sheriff's finances and to show the Sheriff's accountability for the money he receives. If you have questions about this report or need additional financial information contact Roy "Chip" Gunter III, Sheriff of West Carroll Parish, P.O. Box 744, Oak Grove, LA 71263 or call at (318) 428-2331 or E-mail to wcpso@yahoo.com.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

Statement A

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

STATEMENT OF NET ASSETS
GOVERNMENTAL ACTIVITIES

For the Year Ended June 30, 2007

ASSETS:

Cash and cash equivalents (note 4)	\$	11,745
Receivables (note 5)		42,011
Capital assets, net (note 6):		
Furniture and equipment		55,675
Total assets		<u>109,431</u>

LIABILITIES:

Accounts payable		19,882
Withholdings payable		2,281
Long-term liabilities:		
Due within one year (note 11)		2,078
Due in more than one year (note 11)		10,381
Total liabilities		<u>34,622</u>

NET ASSETS:

Invested in capital assets		55,675
Unrestricted		19,134
Total net assets	\$	<u>74,809</u>

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES

For the Year Ended June 30, 2007

	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>NET (EXPENSE)</u> <u>REVENUE AND</u> <u>CHANGES IN</u> <u>NET ASSETS</u>
		<u>OPERATING</u> <u>GRANTS</u>	<u>CAPITAL</u> <u>GRANTS</u>	
FUNCTIONS/PROGRAMS:				
Current:				
Public safety:				
Personal services and related benefits	\$ 666,459	\$ 56,908	\$ -	\$ (609,551)
Operating services	77,293	-	4,695	(72,598)
Statutory charges	58,835	-	-	(58,835)
Materials and supplies	42,955	-	-	(42,955)
Travel and other charges	956	-	-	(956)
Depreciation expense	36,698	-	-	(36,698)
Total Governmental Activities	\$ 883,196	\$ 56,908	\$ 4,695	(821,593)
GENERAL REVENUES:				
Ad valorem taxes				459,513
Intergovernmental revenues:				
State grants:				
Commission on state revenue sharing				44,342
Fees, charges, and commissions for services:				
Commissions on licenses, etc.				27,664
Work Release Program				2,583
Civil and criminal fees				79,283
Court attendance				3,978
Transporting prisoners				6,170
Feeding and keeping prisoners				164,603
Tax notices, etc.				10,113
Use of money and property - interest earnings				2,685
Officer witness fees				1,013
Gain on sale of assets				1,975
Miscellaneous				912
Total general revenues				804,834
CHANGES IN NET ASSETS				(16,759)
NET ASSETS AT BEGINNING OF YEAR				91,568
NET ASSETS AT END OF YEAR				\$ 74,809

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENT (FFS)

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
BALANCE SHEET

June 30, 2007

ASSETS

Cash and cash equivalents (note 4)	\$	11,745
Receivables (note 5)		<u>42,011</u>
Total assets	\$	<u>53,756</u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	19,882
Withholdings payable		<u>2,281</u>
Total liabilities		22,163

Fund balance:

Fund balance - unreserved - undesignated		<u>31,593</u>
Total liabilities and fund balance	\$	<u>53,756</u>

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

**Reconciliation of the Governmental Fund's
Balance Sheet to the Statement of Net Assets
Fiscal Year Ended June 30, 2007**

Total fund balance - Governmental Funds \$ 31,593

The cost of capital assets (a building and furniture and equipment) purchased is reported as an expenditure in the Governmental Funds. The statement of Net Assets includes those capital assets among the assets of the Sheriff as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the Governmental Funds.

Cost of capital assets	\$ 421,553	
Accumulated depreciation	<u>(365,878)</u>	55,675

Long term liabilities applicable to the Sheriff's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets. At June 30, 2007, the Sheriff had a balance in compensated absences of \$5,249 and capital leases payable of \$7,210.

(12,459)

NET ASSETS **\$ 74,809**

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2007

REVENUES	\$	459,513
Ad valorem taxes		459,513
Intergovernmental revenues:		
Local grants:		
Walmart Grant		3,000
State grants:		
Commission of state revenue sharing		44,342
State supplemental pay		47,100
Federal grants (note 16):		
Louisiana Commission on Law		
Enforcement - Task Force Grant		9,808
Department of Homeland Security:		
State Homeland Security Program:		
Passed through West Carroll Parish Police Jury		1,554
Department of Justice:		
Bullet Proof Vest Program		141
Fees, charges, and commissions for services:		
Commissions on licenses, etc.		27,664
Work Release Program		2,583
Civil and criminal fees		79,283
Court attendance		3,978
Transporting prisoners		6,170
Feeding and keeping prisoners		164,603
Tax notices, etc.		10,113
Use of money and property - interest earnings		2,685
Officer witness fees		1,013
Miscellaneous		912
Total revenues		864,462

(Continued)

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GOVERNMENTAL FUNDS - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE (CONCLUDED)

For the Year Ended June 30, 2007

EXPENDITURES

Current:

Public safety:

Personal services and related benefits	\$ 667,145
Operating services	77,293
Statutory charges	58,835
Materials and supplies	42,955
Travel and other charges	956
Capital outlay	<u>10,446</u>
Total expenditures	<u>857,630</u>

EXCESS OF REVENUES OVER EXPENDITURES 6,832

OTHER FINANCING SOURCES

Increase in capital lease	7,210
Sale of assets	<u>1,975</u>
Total other financing sources	<u>9,185</u>

NET CHANGE IN FUND BALANCE 16,017

FUND BALANCE AT BEGINNING OF YEAR 15,576

FUND BALANCE AT END OF YEAR \$ 31,593

See accompanying notes to the basic financial statements.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Reconciliation of the Governmental Fund's
Statement of Revenues, Expenditures, and Changes in
Fund Balances to the Statement of Activities
Fiscal Year Ended June 30, 2007**

Total net change in fund balance - Governmental Funds \$ 16,017

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the period:

Capital Outlays	\$ 10,446	
Depreciation	<u>(36,698)</u>	(26,252)

Increases in capital leases are reported as liabilities in the Statement of Activities; however in the Government Funds, these items are reported as other financing sources. This year, capital leases increased by \$7,210. (7,210)

In the Statement of Activities, certain operating expenses - compensated absences (vacation time) - are measured by the amounts earned during the year. In the Governmental Funds; however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation time used (\$18,437) exceeded the amounts earned (\$17,751) by \$686. 686

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ (16,759)

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

FIDUCIARY FUNDS - AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES

June 30, 2007

	<u>SHERIFF'S</u> <u>FUND</u>	<u>TAX</u> <u>COLLECTOR</u> <u>FUND</u>	<u>WORK</u> <u>RELEASE</u> <u>PROGRAM</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents (note 4)	\$ 659	\$ 429,584	\$ 180	\$ 430,423
LIABILITIES				
Due to taxing bodies and others	\$ 659	\$ 429,584	\$ 180	\$ 430,423
Total liabilities	\$ 659	\$ 429,584	\$ 180	\$ 430,423

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the West Carroll Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

B. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and the component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the sheriff includes all funds, activities, et cetera, that are controlled by the sheriff as an independently elected parish official. As an independently elected parish official, the sheriff is solely responsible for the operations of his office, which include the hiring and

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the sheriff's office that are paid by the parish police jury as required by Louisiana law, the sheriff is financially independent. Accordingly, the sheriff is a separate governmental reporting entity. Certain units of local government over which the sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish sheriff.

C. FUND ACCOUNTING

The sheriff uses funds to maintain his financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid the Sheriff by segregating transactions related to certain sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Fund – General Fund

The Governmental Fund – General Fund accounts for all or most of the Sheriff's general activities. This fund focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the Governmental Fund according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the sheriff. The following describes the Sheriff's governmental fund:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the primary operating fund of the Sheriff's office and accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and Federal laws and according to the Sheriff's policy.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

Fiduciary

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the Sheriff are Agency Funds. The Agency Funds account for assets held by the Sheriff as an agent for various taxing bodies (tax collections), for deposits held pending court action, and for inmates' personal accounts. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the Agency Funds have no measurement focus, but use the modified accrual basis of accounting.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund, Statements C and D, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Sheriff's operations.

The amounts reflected in the General Fund, Statements C and D, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The Governmental Fund uses the following practices in recording revenues and expenditures.

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

fiscal year.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to the funds.

Interest income on interest-bearing demand deposits and time deposits are recorded at the end of each month when credited by the bank.

Expenditures

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the Sheriff as a whole. These statements include all of the financial activities of the Sheriff. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues – Program revenues included in the Statement of Activities (Statement B) are derived from State and Federal grants. Program revenues reduce the cost of the function to be financed from the Sheriff's general revenues.

E. BUDGET PRACTICES

The Sheriff adopts an annual cash budget on the General Fund prior to the beginning of each fiscal year. In accordance with Louisiana Revised Statutes 39:1301-1314 the Sheriff amends the budget when actual revenues are not meeting anticipated revenues by 5 percent or more and when actual expenditures are exceeding budgeted expenditures by 5 percent or more.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

F. ENCUMBRANCES

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not used by the sheriff in his accounting practices.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in petty cash and interest bearing demand deposits. Cash equivalents include amounts in time deposits. Under state law, the sheriff may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

H. CAPITAL ASSETS

Capital assets, which include a building and furniture and equipment, are capitalized at historical cost, where the actual cost is known; estimated historical cost based on the cost of like items when the actual cost is not known (assets acquired prior to 1976); or estimated fair market value of the asset on the date the asset is turned over to the Sheriff by the courts. Capital assets provided by another parish sheriff through a grant and capital assets turned over to the sheriff by the courts as a result of drug seizures are recorded as capital assets. Capital assets provided by the parish police jury through grants are recorded as capital assets at actual cost. The capital assets are depreciated over their estimated useful lives. The Sheriff considers assets with an initial individual cost of more than \$100 and an estimated useful life of 2 years or more as a capital asset.

Of the \$421,553 of capital assets reported on the balance sheet, approximately 97.1 per cent, or \$409,186, are valued at historical cost, 2.6 per cent, or \$11,118, are valued at estimated historical cost based on the cost of like items, and .3 per cent, or \$1,249, are valued at their estimated fair market value on the date the asset is turned over to the sheriff by the courts.

Capital assets are recorded in the Statement of Net Assets and the Statement of Activities. Estimated useful life is the Sheriff's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because the Sheriff feels that the salvage value is immaterial. Straight-line depreciation is used on all capital assets based on the following estimated useful lives.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2007**

Building	5 years
Furniture and equipment	2 to 10 years

I. COMPENSATED ABSENCES

Full-time deputies of the sheriff's office earn from 40 to 104 hours of annual leave each year depending on length of service with the Sheriff's office. Annual leave is earned each month. A maximum of 40 hours can be accumulated and carried forward into a new calendar year. Upon termination of employment, unused annual leave is paid to deputies at the deputies' current rates of pay.

Annual leave that has been claimed by deputies as of the end of the fiscal year is recorded as an expenditure in the year claimed. Annual leave accrued as of the end of the fiscal year is valued using deputies' current rates of pay and the total is included in the Statement of Net Assets as a long-term liability. The Sheriff and the deputies are not required to contribute to the retirement system for annual leave payments. Accrued annual leave will be paid from future years' resources.

Full-time deputies earn 80 hours of sick leave each year. Sick leave may not be accumulated and carried forward to a new calendar year. Upon termination of employment, unused sick leave is not paid to employees. At June 30, 2007, there are no accumulated and vested benefits relating to sick leave that require accrual or disclosure to conform with GASB Codification Section C60.

J. ESTIMATES

The preparation of the financial statements in conformity with governmental accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

K. RISK MANAGEMENT

The Sheriff carries insurance policies with no deductibles for liability, workman's compensation, and auto. The liability and auto insurance carry an aggregate limit of \$900,000. Property coverage for the Sheriff is carried by the West Carroll Parish Police Jury.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

Note 2 - DEFICIT OF REVENUES OVER RESOURCES

The General Fund had actual revenues under budgeted resources for the year ended June 30, 2007 as follows:

Original budget	\$ 883,000
Final budget	879,600
Actual	868,812
Unfavorable variance	10,788

Note 3 - LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended June 30, 2007:

Authorized Millage	11.27
Levied Millage	11.27

The following are the top five principal taxpayers and their related ad valorem tax revenue for the Sheriff:

<u>Tax Payer</u>	<u>Assessed Value</u>	<u>% of Total Assessed Valuation</u>	<u>Ad valorem Tax Revenue for Sheriff</u>
Trunkline Gas Company	\$ 13,459,900	\$ 24.2%	\$ 151,693
Entergy Louisiana, Inc.	1,668,150	3.0%	18,800
Centennial Pipeline, LLC	1,502,670	2.7%	16,935
Southern Natural Gas	1,222,350	2.2%	13,776
Bellsouth	1,060,480	1.9%	11,952

Note 4 - CASH AND CASH EQUIVALENTS

At June 30, 2007, as reported in the Statement of Net Assets (Statement A) and in the Agency Funds' Combining Statement of Assets and Liabilities (Statement E), the sheriff has cash and cash equivalents (book balances) totaling \$442,168 as follows:

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2007**

Interest bearing demand deposit:	\$ 121,787
Time deposits	319,881
Petty cash	500
Total	<u>\$ 442,168</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2007, the sheriff has \$492,091 in deposits (collected bank balances). These deposits are secured from risk by \$217,637 of federal deposit insurance and \$274,454 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

Note 5 - RECEIVABLES

The General Fund receivables of \$42,011 at June 30, 2007, are as follows:

Class of Receivable	Amount
Revenues:	
Federal grants	\$ 9,808
State supplemental pay	7,200
Commissions on licenses, etc.	2,590
Civil and criminal fees	6,623
Court attendance	306
Transporting prisoners	362
Feeding and keeping prisoners	12,844
Other	86
Reimbursements	2,192
Total	\$ 42,011

Note 6 - CAPITAL ASSETS

A summary of changes in capital assets (building and furniture and equipment) and depreciation follows:

	Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
Governmental Activities:				
Capital assets, being depreciated:				
Building	\$ 1,336	\$ -	\$ -	\$ 1,336
Furniture and equipment	423,963	10,446	(14,192)	420,217
Total capital assets, being depreciated	425,299	10,446	(14,192)	421,553
Less accumulated depreciation				
Furniture and equipment	(343,372)	(36,698)	14,192	(365,878)
Governmental activities capital assets, net	\$ 81,927	\$ (26,252)	\$ -	\$ 55,675

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

Note 7 - PENSION PLAN

Plan Description: Substantially all employees of the West Carroll Parish Sheriff's office are members of the Louisiana Sheriffs' Pension and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were 18 or older at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.50 percent for each year if total services is at least 12 but less than 15 years, 2.75 percent for each year if total services is at least 15 but less than 20 years, and 3 percent for each year if total services is at least 20 years. In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs' Pension and Relief Fund, 6554 Florida Boulevard, Suite 215, Baton Rouge, Louisiana 70806, or by calling (800) 586-9049.

Funding Policy: Plan members were required by state statute to contribute 10.0 percent of their annual covered salary during the 2006-07 fiscal year. The West Carroll Parish Sheriff was required to contribute at an actuarially determined rate. The rate for the 2006-07 fiscal year was 11.0 percent of the annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the West Carroll Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Carroll Parish Sheriff's contributions to the System for

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

the years ending June 30, 2007, 2006, and 2005, were \$59,739, \$57,060, and \$48,335, respectively, equal to the required contributions for each year.

Note 8 - OTHER POSTEMPLOYMENT BENEFITS

As required by Louisiana Revised Statutes, the Sheriff provides certain continuing health care and life insurance benefits for certain retired employees through the Sheriff's group insurance plan. Retired employees are eligible for these benefits if they reached normal retirement age, as defined by the retirement system (see Note 7), while working for the Sheriff. The Sheriff recognizes the cost of providing these benefits (the Sheriff's portion of premiums) as expenditures when the monthly premiums are due. The cost of retiree benefits totaled \$9,529 during the 2006-07 fiscal year. Three employees received benefits under this plan.

Note 9 - DEFERRED COMPENSATION PLAN

The Sheriff offers a deferred compensation plan to employees of his office under the provisions of Internal Revenue Service Code 457 (Deferred Compensation Plan). The deferred compensation plan is strictly on a voluntary basis with only employee contributions being made to the Plan. At June 30, 2007, the Plan had assets with an approximate market value of \$21,134. The assets in the Plan are held in trust solely for the benefit of participants and their beneficiaries. Therefore, in accordance with GASB Statement No. 31, they are not reported in the Sheriff's financial statements.

Note 10 - COMPENSATED ABSENCES

At June 30, 2007, employees of the sheriff have accumulated and vested \$5,249 of employee leave benefits, which were computed in accordance with GASB Codification Section C60. The leave benefits have been recorded in the Government-wide Financial Statements' Statement of Net Assets as a long-term liability and in the Statement of Activities as an expense.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

Notes to the Basic Financial Statements
For the Year Ended June 30, 2007

Note 11 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2007:

	Compensated Absences	Capital Lease	Total
Long-term obligations at July 1, 2006	\$ 5,935	\$ -	\$ 5,935
Additions	17,751	7,210	24,961
Deductions	(18,437)	-	(18,437)
Long-term obligations at July 1, 2007	<u>\$ 5,249</u>	<u>\$ 7,210</u>	<u>\$ 12,459</u>
Amounts due within one year	<u>\$ 1,000</u>	<u>\$ 1,078</u>	<u>\$ 2,078</u>

Minimum payments due under the capital lease including amounts representing interest of \$2,785 are as follows:

Year Ending June 30,	
2008	\$ 1,999
2009	1,999
2010	1,999
2011	1,999
2012	1,999
Total	<u>\$ 9,995</u>

Note 12 - CHANGES IN AGENCY FUND BALANCES

A summary of changes in Agency Fund balances due to taxing bodies and others for the year ended June 30, 2007, follows:

	Sheriff's Fund	Tax Collector Fund	Work Release Program	Total
Balance June 30, 2006	\$ 253	\$ 309,442	\$ 7,972	\$ 317,667
Additions	97,029	3,535,265	4,510	3,636,804
Deductions	(96,623)	(3,415,123)	(12,302)	(3,524,048)
Balance June 30, 2007	<u>\$ 659</u>	<u>\$ 429,584</u>	<u>\$ 180</u>	<u>\$ 430,423</u>

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2007**

Note 13 - TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the Agency Funds at June 30, 2007, as reflected on Statement E, include \$235,044 of taxes paid under protest, plus interest earned to date on the investment of these funds, totaling \$84,837. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

Note 14 - LITIGATION AND CLAIMS

At June 30, 2007, the sheriff was involved in one lawsuit. In the opinion of the Sheriff's legal counsel, the suit will not result in a loss to the Sheriff in excess of his insurance coverage. The Sheriff's legal counsel was not aware of any unasserted claims or assessments.

Note 15 - ON-BEHALF PAYMENTS

The sheriff's office is located in the parish courthouse. Expenditures for operation and maintenance of the parish courthouse, as required by statute, are paid by the West Carroll Parish Police Jury. These expenditures are not included in the accompanying Basic Financial Statements.

The Department of Homeland Security passed through the Louisiana Homeland Security to the West Carroll Parish Police Jury a grant to provide a computer and GPS system totaling \$1,554 to the West Carroll Parish Sheriff's office. This equipment has been recorded at historical cost as a capital asset in the Government-wide Financial Statements' Statement of Net Assets. The expenditures for the computer and the law enforcement supplies and the related grant revenue have not been included in the Government-wide Financial Statements' Statement of Activities nor in the Fund Financial Statements' General Fund.

**WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana**

**Notes to the Basic Financial Statements
For the Year Ended June 30, 2007**

Note 16 - FEDERAL FINANCIAL ASSISTANCE

The sheriff participated in the following Federal financial assistance programs during the year ended June 30, 2007:

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>CFDA Number</u>	<u>Expenditures</u>
Department of Homeland Security: Passed through the Louisiana Homeland Security through the West Carroll Parish Police Jury State Homeland Security Program	97.004	\$ 1,554
Bureau of Justice Assistance, Department of Justice: Passed through the Louisiana Commission on Law Enforcement: Bullet Proof Best Program	16.607	141
Passed through the Franklin Parish Sheriff: Drug Control and System Improvement: Formula Grant Fund - Task Force Grant	16.579	9,808
Total		<u>\$ 11,503</u>

Note 17 - SHORT TERM BANK LOANS

The Sheriff made five bank loans from July 2006 to December 2006 totaling \$180,000 from a local bank to help his cash flow until his ad valorem taxes were collected. The Sheriff was authorized by the Louisiana State Bond Commission to borrow up to \$250,000. The loans were repaid by June 30, 2007, at an interest rate of 5.5 percent. Interest paid on these loans amounted to \$3,547. The Sheriff made similar borrowings for the year ending June 30, 2008.

**REQUIRED SUPPLEMENTAL
INFORMATION
(PART B)**

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2007

General Fund - with Legally Adopted Budget

The General Fund accounts for all activities of the Sheriff's office, except for the collection of fines, criminal and civil fees, and ad valorem taxes for others, which are accounted for in the Fiduciary – Agency Funds. The General Fund is the only fund legally required to adopt an annual budget.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

GENERAL FUND
Budgetary Comparison Schedule (Cash Basis)

For the Year Ended June 30, 2007

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
	<u>BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>OVER</u>
				<u>(UNDER)</u>
BUDGETARY FUND BALANCE (Deficit)				
AT BEGINNING OF YEAR	\$ 500	\$ 15,576	\$ 3,177	\$ (12,399)
RESOURCES (Inflows)				
Ad valorem taxes	458,000	458,000	459,513	1,513
Intergovernmental revenues:				
Grants-Federal and Local	50,000	40,000	21,502	(18,498)
State grants:				
Commission on state revenue sharing	45,000	45,000	44,342	(658)
State supplemental pay	47,000	45,000	43,800	(1,200)
Fees, charges, and commissions for services:				
Commissions on licenses, etc.	27,000	27,000	28,947	1,947
Civil and criminal fees	69,500	77,500	79,473	1,973
Court attendance	4,000	4,000	4,046	46
Transporting prisoners	4,000	4,800	6,334	1,534
Feeding and keeping prisoners	158,100	165,100	162,349	(2,751)
Tax notices, etc.	8,000	8,000	10,043	2,043
Work Release Program	-	-	2,891	2,891
Use of money and property - interest earnings	1,200	1,200	2,685	1,485
Miscellaneous	6,200	-	912	912
Other sources:				
Proceeds from sale of assets	5,000	4,000	1,975	(2,025)
Total resources	<u>883,000</u>	<u>879,600</u>	<u>868,812</u>	<u>(10,788)</u>
Amounts available for appropriations	883,500	895,176	871,989	(23,187)
CHARGES TO APPROPRIATIONS (Outflows)				
Current:				
Public safety:				
Personal services and related benefits	673,858	676,858	673,292	3,566
Operating services	78,800	78,300	76,365	1,935
Materials and supplies	43,000	44,000	42,764	1,236
Statutory charges	56,000	61,000	58,743	2,257
Travel and other charges	7,700	1,500	1,028	472
Capital outlay	16,500	16,500	3,236	13,264
Total charges to appropriations	<u>875,858</u>	<u>878,158</u>	<u>855,428</u>	<u>22,730</u>
BUDGETARY FUND BALANCE				
AT END OF YEAR	\$ 7,642	\$ 17,018	\$ 16,561	\$ (457)

See accompanying notes to the basic financial statements.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

NOTES TO BUDGETARY COMPARISON SCHEDULE

For the Year Ended June 30, 2007

Budget and Budgetary Accounting

The Sheriff utilizes the following procedures in establishing the budgetary data reflected in the financial statements.

The proposed budget for the fiscal year ended June 30, 2007, was made available for public inspection on March 13, 2006. The proposed 2006-07 budget, prepared on the cash basis of accounting, was published in the official journal 14 days prior to the public hearing for comments from taxpayers, which was held at the West Carroll Parish Sheriff's office on March 13, 2006. The budget was legally adopted and amended, as necessary, by the sheriff.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

A system of encumbrance accounting is not used. However, formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The following summary reconciles General Fund operations for the year from the budgetary basis (cash) to the GAAP basis of reporting.

Revenues	
Resources (Inflows) on budgetary basis - cash	\$ 866,837
Receivables, net	(2,297)
Expenditures	
Total charges to appropriations (Outflows) on budgetary basis - cash	(855,428)
Payables, net	4,930
Other financing sources	
Proceeds from sale of assets	<u>1,975</u>
Net change in fund balance on GAAP basis	16,017
Fund balance - June 30, 2006, GAAP basis	<u>15,576</u>
Fund balance - June 30, 2007, GAAP basis	<u>\$ 31,593</u>

SUPPLEMENTAL INFORMATION

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

FIDUCIARY FUND TYPE
AGENCY FUNDS

As of June 30, 2007 and for the Year
Ended June 30, 2007

Fiduciary Funds

Fiduciary Funds account for assets held by the School Board in a trust or agency capacity.

SHERIFF'S FUND

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and garnishments.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies. It also accounts for collections of bonds, fines, and costs and payments of these collections to the recipients in accordance with applicable laws.

WORK RELEASE PROGRAM

The Sheriff allows inmates to participate in a work release program. The inmates work in local business for wages. The wages are paid directly to the West Carroll Sheriff who deposits the wages in the Work Release Program Fund. The Sheriff receives one-half of the wages earned by the inmates for administrative expenses. The balance of the wages is accounted for in the inmates' individual accounts. The inmates direct the Sheriff as to how to spend the funds in their individual accounts. The work release program was terminated in December 2006.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

AGENCY FUNDS
COMBINING SCHEDULE OF CHANGES IN BALANCES
DUE TO TAXING BODIES AND OTHERS

For the Year Ended June 30, 2007

	<u>SHERIFF'S FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>WORK RELEASE PROGRAM</u>	<u>TOTAL</u>
BALANCES AT BEGINNING OF YEAR	\$ 253	\$ 309,442	\$ 7,972	\$ 317,667
ADDITIONS				
Deposits:				
Suits, seizures, and sales	96,847	410,038	-	506,885
Interest earnings	182	6,921	-	7,103
Taxes, fees, etc., paid to tax collector	-	3,118,306	-	3,118,306
Wage earnings	-	-	4,510	4,510
Total additions	<u>97,029</u>	<u>3,535,265</u>	<u>4,510</u>	<u>3,636,804</u>
Total	<u>97,282</u>	<u>3,844,707</u>	<u>12,482</u>	<u>3,954,471</u>
REDUCTIONS				
Taxes, fees, etc., distributed to taxing bodies and others	-	3,415,123	-	3,415,123
Deposits settled to:				
Sheriff's General Fund	21,014	-	2,244	23,258
Clerk of Court	8,627	-	-	8,627
Litigants	59,339	-	-	59,339
Attorneys, appraisers, etc.	1,625	-	-	1,625
Inmates	-	-	9,757	9,757
Other settlements	6,018	-	301	6,319
Total reductions	<u>96,623</u>	<u>3,415,123</u>	<u>12,302</u>	<u>3,524,048</u>
BALANCES AT END OF YEAR	<u>\$ 659</u>	<u>\$ 429,584</u>	<u>\$ 180</u>	<u>\$ 430,423</u>

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**



John L. Luffey, MBA, CPA (1963-2002)
Francis I. Huffman, CPA
L. Fred Monroe, CPA
Phillip A. Ragsdale, CPA
David Ray Solgnier, CPA, MBA

John Herman, CPA
Lynn Andries, CPA
Esther Atteberry, CPA
Sandra Harrington, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDIT STANDARDS**

**West Carroll Parish Sheriff
Oak Grove, Louisiana**

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the West Carroll Parish Sheriff, as of and for the year ended June 30, 2007, which collectively comprise the West Carroll Parish Sheriff's Basic Financial Statements and have issued our report thereon dated December 28, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the West Carroll Parish Sheriff's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Carroll Parish Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the West Carroll Parish Sheriff's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned

**West Carroll Parish Sheriff
Oak Grove, Louisiana**

functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the West Carroll Parish Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the West Carroll Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the West Carroll Parish Sheriff's internal control. We consider the deficiency described in the accompanying Schedule of Findings listed as 07-01 to be a significant deficiency in the internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the West Carroll Parish Sheriff's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we do not consider the significant deficiency described above to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Carroll Parish Sheriff's financial statements are free of material misstatement, we performed tests of his compliance with certain provisions of laws, regulations, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management of the West Carroll Parish Sheriff, Federal awarding agencies and pass-through entities, and other entities granting funds to the West Carroll Parish Sheriff and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


(A Professional Accounting Corporation)

December 28, 2007

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

STATEMENT OF FINDINGS
JUNE 30, 2007

07-01 Preparation of Financial Statements

Finding:

Because of the size of the West Carroll Parish Sheriff's operations and the limited resources available, the Sheriff does not employ a staff with the qualifications and training to prepare financial statements, including the related notes, in accordance with generally accepted accounting principles (GAAP).

Recommendation:

Management should study the cost versus benefit of employing someone with the needed expertise to prepare GAAP basis financial statements or continue to outsource the financial statement preparation to its independent auditors.

Corrective Action Plan:

The West Carroll Parish Sheriff has evaluated the cost and benefits of employing someone directly or under contract to prepare financial statements in accordance with generally accepted accounting principles and has determined that it is in the best interest of the Sheriff to leave this function to its independent auditors. The financial statements and related notes will be reviewed and fully understood by management of the Sheriff prior to accepting responsibility for their contents.

WEST CARROLL PARISH SHERIFF
Oak Grove, Louisiana

SUMMARY STATUS OF PRIOR YEAR FINDINGS
JUNE 30, 2007

In the prior audit report for the year ended June 30, 2006, there were no instances of noncompliance that were required to be reported under *Government Auditing Standards* nor were there any matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses.